



COUNTY OF LOS ANGELES

FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294
(323) 881-2401

DARYL L. OSBY
FIRE CHIEF
FORESTER & FIRE WARDEN

August 20, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

35 August 20, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

REQUEST APPROVAL OF TAX RATE LEVY FOR THE FISCAL YEAR 2013-14 VOTER-APPROVED FIRE PROTECTION DISTRICT SPECIAL TAX (ALL DISTRICTS) (3 VOTES)

SUBJECT

Approval of the attached resolution will authorize the Fiscal Year 2013-14 levy of the voter-approved Consolidated Fire Protection District's (Fire District's) special tax generating an estimated \$75.2 million for fire protection and emergency medical services throughout the Fire District. The rates would remain the same as the 2012-13 levy.

IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT:

1. Adopt the attached resolution setting the Fiscal Year 2013-14 tax rates for the Consolidated Fire Protection District of Los Angeles County voter-approved special tax at the same rates as the 2012-13 special tax levy.
2. Instruct the Fire Chief and the Auditor-Controller to take all actions necessary to implement the special tax levy at the rates specified in the attached resolution for Fiscal Year 2013 14.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended special tax rates for Fiscal Year 2013-14 will generate \$75.2 million in special tax revenue necessary for the provision of fire protection and emergency medical services. The recommended rates are the same rates as those levied in Fiscal Year 2012-13. The rate for a

single family home rate would remain \$62.26, with various rates for other property use types, as specified in the attached resolution.

Special tax revenue is an essential component in funding fire protection and emergency medical services. Of the Fire District's \$955.5 million Final Adopted Budget for 2012-13, the special tax funded 8 percent of the Fire District's overall expenditures.

When the 2013-14 Budget was adopted, it was anticipated that an increase in the special tax levy would be needed to generate an additional \$1.5 million to mitigate a shortfall in the Fire District's revenues. However, with property tax revenues projected to increase by 4.23% in 2013-14 and an anticipated increase in the ending fund balance for 2012-13, we anticipate sufficient revenues to fund operational expenses in 2013-14 without a rate increase.

The anticipated 2012-13 ending fund balance of \$117 million (approximately \$33 million more than the projected 2012-13 ending fund balance in late April that the Auditor-Controller and Chief Executive Officer validated) is primarily due to an increase in redevelopment funds, the carryover of expenditures to 2013-14, overall savings in salaries and employee benefits, prior year revenue related to grants and a moderate increase in property tax revenue. In 2012-13, the Fire District received an additional \$55 million in redevelopment funds. The Chief Executive Office has not yet confirmed how much of the additional \$55 million is ongoing; however, we can anticipate some of this revenue will be ongoing revenue in 2013-14.

Implementation of Strategic Plan Goals

This action is consistent with the Strategic Plan Goal 1, Operational Effectiveness, as the special tax provides long-term revenue that supports efficient fire protection and emergency medical public safety services.

FISCAL IMPACT/FINANCING

The Fire District's Fiscal Year 2013-14 Adopted Budget reflects \$76.7 million in special tax revenue (\$76.3 million for the 2013-14 levy and \$0.4 million in prior year revenue), because we anticipated that an increase in the special tax levy would be needed. With the positive 2012-13 ending fund balance, we will adjust the special tax revenue (\$75.2 million for the 2013-14 levy and \$0.5 million in prior year revenue) as part of the 2013-14 Supplemental Resolution.

There is no impact on net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

California Health and Safety Code Section 13911 and California Government Code Section 50075 et seq. authorize the levying of the special tax. Your Board may levy the rate at any amount up to the maximum rates as indicated on Exhibit I. Approval of the resolution will levy the special tax at a rate of \$62.26 per single family home, with rates for other property use types as specified in the resolution.

County Counsel has approved the resolution as to form.

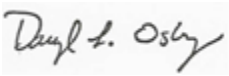
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Levying the special tax rate at \$62.26 per single family home, with rates for other property use types as specified in the resolution, will generate essential funding to continue providing fire protection and emergency medical services to the residents of Los Angeles County protected by the Fire District.

CONCLUSION

Upon adoption by your Honorable Board, please instruct the Executive Officer, Clerk of the Board to return two (2) copies of the Minute Order and/or this approved letter and resolution, as applicable, to this office.

Respectfully submitted,

A handwritten signature in cursive script, reading "Daryl L. Osby".

DARYL L. OSBY

FIRE CHIEF, FORESTER & FIRE WARDEN

DLO:kc

Enclosures

c: Chief Executive Officer
County Counsel
Auditor-Controller
Executive Officer, Board of Supervisors

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES ACTING AS THE GOVERNING BODY OF THE
CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY
FIXING THE SPECIAL TAX RATE FOR THE
CONSOLIDATED FIRE PROTECTION DISTRICT
AND LEVYING THE SPECIAL TAX UPON THE
TAXABLE PROPERTY OF THE COUNTY OF LOS ANGELES FOR THE
FISCAL YEAR 2013-2014

WHEREAS, on June 3, 1997, the voters within the cities of Agoura Hills, Artesia, Azusa, Baldwin Park, Bell, Bellflower, Bell Gardens, Bradbury, Calabasas, Carson, Cerritos, Claremont, Cudahy, Diamond Bar, Duarte, Glendora, Hawaiian Gardens, Hidden Hills, Huntington Park, Industry, Irwindale, La Canada Flintridge, Lakewood, La Mirada, Lancaster, La Puente, Lawndale, Lomita, Malibu, Maywood, Norwalk, Palmdale, Paramount, Pico Rivera, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Rosemead, San Dimas, Santa Clarita, Signal Hill, South El Monte, South Gate, Temple City, Walnut, West Hollywood, Westlake Village and Whittier, and within the unincorporated area of the County of Los Angeles (the "County"), approved a special tax for fire protection and paramedic services (the "special tax"); and

WHEREAS, certain special tax rates were approved, based upon property use type and size of improvements, to be annually adjusted by a maximum of the lesser of (i) 2 percent or (ii) the California Consumer Price Index, which maximum special tax

rates are herein specified in Exhibit 1 attached to this Resolution, hereinafter referred to as "maximum rates"; and

WHEREAS, the Board of Supervisors may annually levy an amount up to the maximum rates for the special tax as approved by the voters; and

WHEREAS, the Board of Supervisors desires to levy the special tax at rates less than the maximum rates allowed, as specified and fixed in Exhibit 2 attached to this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that pursuant to Section 13911 of the Health and Safety Code of the State of California and Section 50075 *et seq.* of the Government Code of the State of California, the Board of Supervisors of the County of Los Angeles, acting as the governing body of the Consolidated Fire Protection District of Los Angeles County, does hereby levy the special tax upon the taxable property of the County within the cities of Agoura Hills, Artesia, Azusa, Baldwin Park, Bell, Bellflower, Bell Gardens, Bradbury, Calabasas, Carson, Cerritos, Claremont, Cudahy, Diamond Bar, Duarte, Glendora, Hawaiian Gardens, Hidden Hills, Huntington Park, Industry, Irwindale, La Canada Flintridge, Lakewood, La Mirada, Lancaster, La Puente, Lawndale, Lomita, Malibu, Maywood, Norwalk, Palmdale, Paramount, Pico Rivera, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Rosemead, San Dimas, Santa Clarita, Signal Hill, South El Monte, South Gate, Temple City, Walnut, West Hollywood, Westlake Village and Whittier, and within the unincorporated area of the County, at rates less than the maximum rates allowed, as specified and fixed in Exhibit 2 attached to this Resolution.

The foregoing resolution was on the 20th day of August, 2013,
adopted by the Board of Supervisors of the County of Los Angeles and *ex-officio* the
governing body of all other special assessment and taxing districts, agencies and
authorities for which said Board so acts.



SACHI A. HAMAI, Executive Officer-
Clerk of the Board of Supervisors of the County
of Los Angeles

By Lachelle Smithman
Deputy

APPROVED AS TO FORM:

JOHN KRATTLI
County Counsel

By Scott Kuhn
Scott Kuhn, Senior Deputy

SUMMARY OF MAXIMUM RATES FOR PROPOSITION E

VOTER-APPROVED SPECIAL TAX FOR THE

CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY

LAND USE	MAXIMUM RATES*	
	(2% Increase)	
	2012-13	2013-14
Single Family Residential	\$62.26	\$63.51
Mobile Home in Park	31.13	31.75
Multiple Family Residential	78.65	80.22
+ Square Footage Rate (over 1,555 sq. ft.)	0.0080	0.0082
+ Square Footage Rate with sprinkler credit (over 1,555 sq. ft.)	0.0075	0.0077
Non-Residential	75.35	76.86
+ Square Footage Rate (over 1,555 sq. ft.)**	0.0508	0.0518
+ Square Footage Rate with sprinkler credit (over 1,555 sq. ft.)**	0.0488	0.0498
High Rise	91.73	93.56
+ Square Footage Rate (over 1,555 sq. ft.)**	0.0620	0.0632
+ Square Footage Rate with sprinkler credit (over 1,555 sq. ft.)**	0.0592	0.0604
Special Use	114.67	116.96
+ Square Footage Rate (over 1,555 sq. ft.)**	0.0774	0.0789
+ Square Footage Rate with sprinkler credit (over 1,555 sq. ft.)**	0.0739	0.0754
Vacant-2 acres or less	15.57	15.88
Vacant-2+ acres to 10 acres	20.54	20.95
Vacant-10+ acres to 50 acres	41.11	41.93
Vacant-50+ acres	62.26	63.51

* Maximum rates may not necessarily be the actual rates imposed by the Los Angeles County Board of Supervisors.

** Capped at 100,000 square feet.

See Appendix A to the Amended and Restated Resolution of the Board of Supervisors March 4, 1997 for a full explanation of land use categories and the application of the special tax rates.

**PROPOSITION E — VOTER-APPROVED SPECIAL TAX FOR THE
CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY**

Special Tax Rates for Fiscal Year 2013-2014

Land Use	Special Tax Rate	Special Tax Rate w/Sprinkler Credit
Single Family Residential	\$62.26	NOT APPLICABLE
Mobile Home in Park	\$31.13	NOT APPLICABLE
Multiple Family Residential	\$78.65 + \$.0080 per sq. ft. over 1,555 sq. ft.	\$78.65 + \$.0075 per sq. ft. over 1,555 sq. ft.
Non-Residential	\$75.35 + \$.0508 per sq. ft. over 1,555 sq. ft.*	\$75.35 + \$.0488 per sq. ft. over 1,555 sq. ft.*
High Rise	\$91.73 + \$.0620 per sq. ft. over 1,555 sq. ft.*	\$91.73 + \$.0592 per sq. ft. over 1,555 sq. ft.*
Special Use	\$114.67 + \$.0774 per sq. ft. over 1,555 sq. ft.*	\$114.67 + \$.0739 per sq. ft. over 1,555 sq. ft.*
Vacant Land - 2 acres or less	\$15.57	NOT APPLICABLE
Vacant Land - more than 2 acres and less than or equal to 10 acres	\$20.54	NOT APPLICABLE
Vacant Land - more than 10 acres and less than or equal to 50 acres	\$41.11	NOT APPLICABLE
Vacant Land - more than 50 acres	\$62.26	NOT APPLICABLE

*Capped at 100,000 square feet per parcel.

INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE

Los Angeles County Fire Department Special Tax

August 6, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Committee Members
Bryce Anderson
James Dear
Jim Goldsworthy
Jose A. Gomez
Pilar M. Hoyos

Ex Officio Member
Isaac D. Barcelona

Dear Supervisors:

REPORT OF COMMITTEE FINDINGS

The purpose of this letter is to report the findings of the Independent Citizens' Oversight Committee's (ICOC) review of the expenditure of the Fire Department's special tax revenue. As required by the provisions of the Proposition E special tax measure of 1997, the ICOC was provided and reviewed the Fire Station Final 2012-13 Staffing Costs dated June 10, 2013, the Funding Sources for Fire Protection and Emergency Medical Services for Fire Station Personnel chart for Fiscal Year 2012-13, and the History of Special Tax Levy through 2012-13 to determine that the special tax revenue for Fiscal Year 2012-13 was expended for fire protection or paramedic rescue services.

Background

In accordance with Proposition E, the Board established the ICOC. The ICOC consists of a representative from each Board office, a city council representative appointed by the Los Angeles County City Selection Committee and the Chair of the Los Angeles County Economy and Efficiency Commission as an *ex officio* member. The duties prescribed for the ICOC are as follows:

- Meet at least once in each fiscal year.
- Review expenditures paid from the special tax to ensure that such expenditures are for "Fire Protection or Paramedic Rescue Services," which specifically include emergency paramedic rescue, firefighting, search and rescue, and hazardous materials and disaster response.
- Report the Committee's findings to the Board of Supervisors, which satisfies the public reporting requirement.

The ICOC met on August 6, 2013, at which time Committee members were briefed on the Fiscal Year 2013-14 funding and expenditure projections.

Findings

With regard to the expenditure of special tax revenues in 2012-13, the Committee finds that the 2012-13 special tax revenues of \$75.7 million were expended for fire protection and paramedic services of \$446.1 million in accordance with provisions of Proposition E.

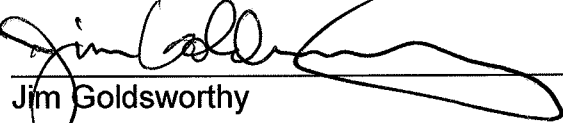
Respectfully submitted,



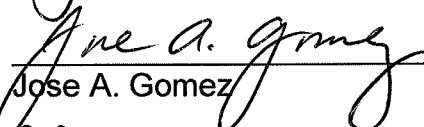
Bryce Anderson

Excused Absence

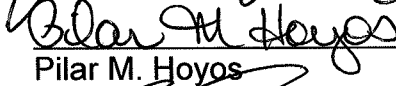
James Dear



Jim Goldsworthy



Jose A. Gomez



Pilar M. Hoyos



Isaac D. Barcelona

da

c: Executive Officer, Board of Supervisors